

108TH CONGRESS
1ST SESSION

S. RES. 48

Designating April 2003 as “Financial Literacy for Youth Month”.

IN THE SENATE OF THE UNITED STATES

FEBRUARY 5, 2003

Mr. AKAKA (for himself, Mr. COCHRAN, Mr. CORZINE, Mr. JOHNSON, Mr. SARBANES, Mr. SCHUMER, and Ms. STABENOW) submitted the following resolution; which was referred to the Committee on the Judiciary

RESOLUTION

Designating April 2003 as “Financial Literacy for Youth Month”.

Whereas the percentage of income used for household debt payments, including mortgages, credit cards, and student loans, rose to the highest level in more than a decade in 2001 and remained at 14 percent in 2002;

Whereas consumer bankruptcies in 2001 increased 19 percent over those in the previous year, exceeding the previous high reached in 1998, and the rate of filings did not slacken during the first 9 months of 2002;

Whereas personal savings as a percentage of Gross Domestic Product decreased from 7.5 percent in the early 1980s to 2.4 percent in 2002;

Whereas approximately 40,000,000 Americans, the “unbanked”, are not using mainstream, insured financial institutions;

Whereas home foreclosures in 2002 reached the highest rate in 30 years;

Whereas 55 percent of college students acquire their first credit card during their first year in college, and 83 percent of college students have at least 1 credit card;

Whereas 45 percent of college students are in credit card debt, with the average debt being \$3,066;

Whereas only 26 percent of 13- to 21-year-olds reported that their parents actively taught them how to manage money;

Whereas a 2002 study by the Jump\$tart Coalition for Personal Financial Literacy found that high school seniors know even less about credit cards, retirement funds, insurance, and other personal finance basics than seniors did 5 years ago;

Whereas a 2002 survey by the National Council on Economic Education found that a decreasing number of States include personal finance in their education standards for students in grades K–12;

Whereas a greater understanding and familiarity with financial markets and institutions will lead to increased economic activity and growth;

Whereas financial literacy empowers individuals to make wise financial decisions and reduces the confusion of an increasingly complex economy;

Whereas personal financial management skills and long-lived habits develop during childhood;

Whereas personal financial education is essential to ensure that our youth are prepared to manage money, credit, and debt, and become responsible workers, heads of households, investors, entrepreneurs, business leaders, and citizens; and

Whereas the Jump\$tart Coalition for Personal Financial Literacy, its State affiliates, and its partner organizations have designated each April as “Financial Literacy for Youth Month”, the goal of which is to educate the public about the need for increased financial literacy for youth in America: Now, therefore, be it

1 *Resolved*, That the Senate—

2 (1) designates April 2003 as “Financial Lit-
3 eracy for Youth Month” to raise public awareness
4 about the need for increased financial literacy in our
5 schools and the serious problems that may be associ-
6 ated with a lack of understanding about personal fi-
7 nances; and

8 (2) requests that the President issue a procla-
9 mation calling on the Federal Government, States,
10 localities, schools, nonprofit organizations, busi-
11 nesses, other entities, and the people of the United
12 States to observe the month with appropriate pro-
13 grams and activities.

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